

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

State Aviation Policy – Development of Aviation Sector in the State of Andhra Pradesh - Reimbursement of Sales Tax (VAT) on Aviation Turbine Fuel to M/s. Kingfisher Airlines Ltd., Hyderabad – Sanction – Accorded – Orders – Issued.

INFRASTRUCTURE AND INVESTMENT (PORTS.II) DEPARTMENT

G.O.Ms.No. 37

Dated:02-09-2008
Read the following

- 1) G.O.Ms.No.137, TR&B (Ports) Dept., Dt. 23.9.2004
- 2) G.O.Ms.No.143, TR&B (Ports) Dept., Dt. 30.9.2004
- 3) G.O.Ms.No.254 TR&B (Ports.II) Dept., Dt. 22.11.2005
- 4) From the Station Accountant, M/s.Kingfisher Airlines Ltd. Hyd. Lr.No.- Nil- Dt. 15.4.2008
- 5) From the Managing Director, A.P. Road Development Corporation, Hyderabad, Lr. No.1233/VAT/Kingfisher Airlines/AO/A1/2007, Dt.10.6. 2008
- 6) G.O.Rt.No.3252 Finance (Expr.PW) Dept., Dt. 2.8.2008.

ORDER:

In the G.Os 1st and 2nd read above orders were issued for giving concessional rates on Sales Tax (VAT) on Aviation Turbine Fuel (ATF) for the Airlines as indicated below:

- a) **For Airlines operating more than 140 flights per week from Hyderabad, they will get 25% of the tax reimbursed.**
- b) **For the Airlines operating 100-139 flights per week, the reimbursement will be 15%.**

2. It was ordered therein that the Airlines shall pay the Sales Tax on ATF @ 30.55% on their purchase as required under APGST Act 1957. The reimbursement of concession admissible under item 1 and 2 above will be made immediately on receipt of the application from the Airlines along with required documentary evidence for the payment of Sales Tax to the Government as per the mechanism prescribed by the Government. There will not be any reimbursement from out of Turn Over Tax to be levied and collected.

3. In the letter 4th read above, the Station Accountant, M/s.Kingfisher Airlines Ltd., Hyderabad while enclosing relevant certificates has informed that the Kingfisher Airlines Ltd., Hyderabad is operating currently more than 100 flights a week and fulfilled the criteria laid down in the G.Os 1st and 2nd read above for availing 15% reimbursement on Sales Tax (VAT) worked out to Rs.1,00,28,081/- and requested to release the payment at the earliest.

4. The Managing Director, A.P. Road Development Corporation, Hyderabad while furnishing the relevant documentary evidence as prescribed in G.O. 3rd read above, has informed that the Asst. Commissioner (CT) and Airport Authorities were addressed to confirm the certificates submitted by M/s.Kingfisher Airlines Ltd., Hyderabad towards their claim for reimbursement of Sales Tax (VAT) of 15% on ATF for the period from 2.7.2007 to 30.9.2007

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and in turn the Asst. Commissioner (CT) has confirmed the certificate issued by him for reimbursement of Rs.1,00,28,081/-. The Airport authorities have also confirmed the number of flights operated on weekly basis during the period from 2.7.2007 to 30.9.2007 and same has been verified and found correct.

5. All the claims of M/s.Kingfisher Airlines Ltd., Hyderabad for the reimbursable amount of 15% on Aviation Turbine Fuel on Sales Tax (VAT) for the period from 2.7.2007 to 30.9.2007 for Rs.1,00,28,081/- have been verified based on the relevant documents furnished by the Commercial Tax Dept as detailed below:

<u>Period</u> (weekly basis)	<u>Amount of tax to be reimbursed</u>
1) 2.7.2007 to 5.7..2007	Rs.383719.80
2) 6.7.2007 to 8.7.2007	Rs.253713.13
3) 9.7.2007 to 10.7.2007	Rs.150588.89
4) 11,7,2007 to 15.7.2007	Rs 512731.73
5) 16.7.2007 to 20.7.2007	Rs.484072.95
6) 21.7.2007 to 22.7.2007	Rs.209469.67
7) 23.7.2007 to 25.7.2007	Rs.273314.83
8) 26.7.2007 to 29.7.2007	Rs 400370.36
9) 30.7.2007 to 31.7.2007	Rs 239360.07
10) 1.8.2007 to 5.8.2007	Rs 607410.45
11) 6.8.2007 to10.8.2007	Rs 605990.57
12)11.8.2007 to 12,8,2007	Rs.189772.75
13) 13.8.2007 to 15.8.2007	Rs 315578.25
14) 16.8.2007 to 19.8.2008	Rs.517860.90
15) 20.8.2007	Rs, 90529.00
16) 21.8.2007 to25.8.2007	Rs 643250.00
17) 26.8.2007	Rs. 96502.20
18) 27.8.2007 to 31.8.2007	Rs 581314.00
19) 1.9.2007 to 2.9.2007	Rs.221236.15
20) 3.9.2007 to5.9.2007	Rs,298377.07
21) 6.9.2007 to 9.9.2007	Rs.460310.85
22) 10.9.2007	Rs.147490.76
23) 11.9.2007 to 15.9.2007	Rs.647060.75
24) 16.9.2007	Rs. 65902.28
25) 17.9.2007 to 20.9.2007	Rs.394743.44
26) 21.9.2007 to 23.9.2007	Rs.330658.60
27) 24.9.2007 to 25.9.2007	Rs.207893.10
28) 26.9.2007 to 30.9.2007	Rs.698859.45

Total	Rs.10028081.00

6. Government, after careful examination hereby sanction an amount of Rs.1,00,28,081/- (Rupees One Crore twenty eight thousand and eighty one only) to M/s.Kingfisher Airlines Ltd., Hyderabad. The Managing Director, A.P. Road Development Corporation, Hyderabad is requested to make the payment based on the documentary evidence from the Director of Air Ports, Hyderabad regarding number of flights operated in a week of particular airlines and a certificate from the Commissioner of Commercial Taxes regarding payment of Sales Tax by the concerned Airlines paid to the Oil Companies from where they have purchased the Aviation Turbine Fuel and the portion of Sales Tax reimbursable to the extent of 15%.

7. The Managing Director, A.P. Road Development Corporation, Hyderabad is also directed to draw and disburse the amount to M/s.Kingfisher Airlines Ltd., Hyderabad duly debiting the expenditure to "3053 Civil Aviation – 80-General MH-800 Other Expenditure – SH-(05) Assistance to AP Road Development Corporation towards reimbursement of Sales Tax on Aviation Turbine Fuel – 310-Grants in Aid - 312 – Other grants in Aid"

8. This order issues with the concurrence of Finance (Expr.PW) Department vide their U.O.No.19468-8/910/A2/Expr.PW/08, Dated: 6.8.2008.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

T.CHATTERJEE
Prl. SECRETARY TO GOVERNMENT(FAC)

To
The Managing Director,
Andhra Pradesh Road Development Corporation Hyderabad
The Director, Begumpet Airport, Hyderabad
The Director of Treasuries & Accounts, Andhra Pradesh, Hyderabad.
The Dist. Treasury Officer/Pay & Accounts Officer, Hyderabad Dist. Hyderabad.
The Prl. Accountant General (Audit-I) Andhra Pradesh, Hyderabad.
The Finance (Exp.PW/BG.II) Dept.
Asst. Secretary to Government & D.D.O. I & I Dept.

Copy to:

.The P.S., to Chief Secretary to Govt.
The P.S., to Prl. Secreary TR&B Dept.
The P.S., to. Secretary, I & I Dept.
The P.S., to Spl. Secretary to C.M
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// Forwarded :: By Order //

SECTION OFFICER